

# **A-76**

## **A Consultant's Perspective**

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# A-76, The Consultant's Perspective

## Act I

Hi. I'm here to discuss your comments on the draft MEO that we sent two weeks ago.



Well...uh....we don't really have any comments yet.



# A-76, The Consultant's Perspective

## Act II

The ATO's on her honeymoon in Fiji.



Her deputy retired to manage an ostrich farm.





# A-76, The Consultant's Perspective Act III

The rest of the team can't reach a consensus.



This won't affect your deadline, right?



# A-76, The Consultant's Perspective Epilogue: A New Career

So...tell me more  
about that ostrich  
farm.



# Working Effectively with Consultants

Help your consultants use their time productively.

- Define your expectations clearly.
- Keep an open mind to alternative solutions - or, if you have a preconceived solution, say so.
- Provide candid feedback.
- Communicate promptly and proactively.
- Provide clear, consolidated comments, reflective of an agency position.
- Focus on the end product, not on the process.
- Remain involved; retain ownership of the product.

# The Consultant's Role

“I have never in my life learned anything from any man who agreed with me.”

Dudley Malone

“The difference between what the client thinks they need and what they actually do need is the consultant's value added.”

Bob Norton

# How to Make Your Consultants Consider Alternative Career Paths

- Miss your deadlines – preferably without advance warning.
- Provide your data in a different format than requested- consultants love a challenge.
- Express different views in the review sessions than in prior meetings - keep them guessing.
- Never provide positive feedback – it only encourages them.



# The OMB Competitive Sourcing Report

The OMB “Report on Competitive Sourcing Results, Fiscal Year 2003” provides a great deal of useful information on program status in FY 2003. It does not, however:

- Distinguish between results under the “old” and “Revised” Circular, or
- Track study results by size of study

# The National Council for Public Private Partnerships (NCPPP) Methodology

- Collect data on studies under the Revised Circular. Send questionnaires, contact agencies
- Analyze data, compare to OMB data
- Identify trends, areas of interest

For more information please see [www.ncppp.org](http://www.ncppp.org).

# Data Set Limitations

- Not a random sample; based on agency responses
- No Department of Defense participation
- Small sample size; 34 total studies
- Information on savings not yet available

# Streamlined Competitions Without

## MEO

Department	Number of FTE	Function	In-house	Contract
HHS	1	Accounting	X	
HHS	1	IT	X	
HHS	1	Management + Analysis	X	
Agriculture	2	Nursing	X	
HHS	2	Program Assistant	X	
HHS	3	Administrative	X	
HHS	3	Administrative	X	
HHS	3	Administrative		X
HHS	3	Visual Information	X	
HHS	4	Administrative	X	
HHS	7	Administrative		X
AFRH	9	Transportation		X
HHS	10	Grants Management	x	
HHS	10	Architect/Engineer	X	
HHS	11	Loan Services	X	
HHS	11	Administrative		X
Labor	11	Invoice Payment	X	
AFRH	13	Grounds		X
AFRH	15	Security	X	
AFRH	34	Facilities		X
HHS	45	IT	X	

# Streamlined Competition with MEO

Department	Number of FTE	Function	In-house	Contract
OPM	1	Nursing	X	
OPM	3	Laborers	X	
Treasury	4	HR		X
OPM	11	Benefits Specialists	X	
AFRH	12	Security	X	
Commerce	13	IT/VIS	X	
OPM	13	Mail	X	
HHS	18	Administrative	X	
OPM	21	IT	X	
OPM	24	Accounting	X	
OPM	30	Billing and Collection	X	
OPM	40	Accounting	X	



# Standard Competition

<b>Department</b>	<b>Number of FTE</b>	<b>Function</b>	<b>Result</b>
Energy	33	Logistics	In-house
Agriculture	96	IT/Mapping	In-house
Agriculture	148	IT/Financial	In-house*
Energy	184	Financial Services	In-house*

\* Study conducted using Tradeoff Source Selection

# Results by Study Type

<b>Type of Study</b>	Number of Studies	Number of FTE	Number of Studies In-house	% of Studies In-house	Number of FTE In-house	% of FTE In-house
Streamlined	21	199	15	71.4	122	61.3
Streamlined with MEO	12	190	11	91.7	186	97.9
Standard	4	461	4	100	461	100
Total	37	850	30	81.1	769	90.5

# Conclusion

- Two Standard Competitions were conducted using Tradeoff Source Selection procedures. One received no private sector proposals; the other had private sector competition, but also remained in-house. This very preliminary data indicates that contractors receive no significant advantage from the tradeoff provisions.
- In Streamlined competitions with MEO, the Government appears to be more successful than in “traditional” streamlined competitions. This, of course, is the anticipated outcome.
- The Government is more competitive in smaller streamlined competitions, for reasons already outlined. Combining both types of Streamlined Competitions, the Government won 84.6 percent of studies under 9 FTE, 75.0 percent of studies over 5 FTE.

## Conclusions (continued)

- The percentage of FTE remaining in-house is remarkably similar between the OMB report (89.0%) and the NCPPP sample (90.5%), and higher than historical precedents would lead one to expect. Whether NCPPP's figure would decline with a larger, more representative sample remains to be seen. Based upon additional input, we will supplement this data in the coming months.

# Case Study- Mailroom Support

- Streamlined Competition of Mailroom Support; One mail FTE, with Government-furnished space, equipment, and supplies. First year costs:

<b>Position</b>	<b>Annual Salary</b>	<b>Fringe Benefits</b>	<b>Total Personnel Costs</b>	<b>Overhead</b>	<b>Total Line 6 In-house Cost</b>
1 FTE GS-05 Mail Clerk	\$31,279.00	\$10,275.15	\$41,554.15	\$4,986.50	
.10 FTE GS-09 Supervisor	\$4,739.00	\$1,566.76	\$6,295.76	\$755.49	
<b>Total</b>			\$47,849.91	\$5,741.99	\$53,591.90



# A-76 Contract Administration Staffing

<b>MEO STAFFING</b>	<b>Contract Administration FTE</b>
<b>10 or less</b>	<b>.5</b>
<b>11-20</b>	<b>1</b>
<b>21-50</b>	<b>2</b>
<b>51-75</b>	<b>3</b>
<b>76-100</b>	<b>4</b>
<b>101-120</b>	<b>5</b>
<b>121-150</b>	<b>6</b>
<b>151-200</b>	<b>7</b>
<b>201-250</b>	<b>8</b>
<b>251-300</b>	<b>9</b>
<b>301-350</b>	<b>10</b>
<b>351-360</b>	<b>11</b>
<b>451 and above</b>	<b>2.5% of agency MEO staffing</b>

# A-76 Contract Administration Staffing

<b>Contract Administration Factors and Allowable Grades</b>					
<b>STAFFING</b>	<b>Administration FTE</b>	GS-12	GS-11	GS-9	GS-6
<b>10 or less</b>	<b>.5</b>	1	0	0	0
<b>11-20</b>	<b>1</b>	1	0	0	0
<b>21-50</b>	<b>2</b>	1	1	0	0
<b>51-75</b>	<b>3</b>	1	1	1	0
<b>76-100</b>	<b>4</b>	1	1	1	1
<b>101-120</b>	<b>5</b>	1	1	2	1
<b>121-150</b>	<b>6</b>	1	2	2	1
<b>151-200</b>	<b>7</b>	1	2	2	2
<b>201-250</b>	<b>8</b>	2	2	2	2
<b>251-300</b>	<b>9</b>	2	2	3	2
<b>301-350</b>	<b>10</b>	2	3	3	2
<b>351-360</b>	<b>11</b>	2	3	4	2
<b>451 and above</b>	<b>2.5% of agency MEO staffing</b>	Distribution automatically calculated by <i>COMPARE</i>			

# Case study - Mailroom Services

## Contract Administration Costs

<b>Position</b>	<b>Annual Salary</b>	<b>Fringe Benefits</b>	<b>Total Personnel Cost</b>
GS-12 Contract Admin	\$34,361.00	\$11,287.59	\$45,648.00

# Case Study, Mailroom Support Cost Comparison

Total Cost of In-house  
Performance

\$53,592

Total Cost of Contract

Contract Administration

\$45,648

+ Cost of Contract \_\_\_\_\_X

If cost of contract exceeds  
\$7,944 the service remains  
in-house.

# The Solution

- Emphasize study of logical business units, in particular, larger studies with more potential for savings
- Change the contract administration staffing factor for studies under 10 FTE, making it more proportional to the size of the study